Electricity (concessions to Binny and Maharaja Mills and K. G. F. Companies.)

Q.—808. Sri P. R. RAMAIYA (Basavangudi).—

Will the Government be pleased to state :—

(*a*) the rate at which electric power is supplied to the Binny Mills at Bangalore, to the Maharaja Mills at Bangalore and the Kolar Gold Fields Mining Works;

(*b*) if it is a concessional rate, for how many years more these concessions last ?

A.—Dr. R. NAGAN GOWDA (Minister for Agriculture).—

(*a*) 1. Binny Mills 2. Maharaja Mills	0·65 anna per unit for Day Load and 0·45 anna per unit for Night Load with 10 per cent tax on consumption.
3. Kolar Gold Fields Mining Company.	0·49 anna per unit with 10 per cent tax on consumption.

(*b*) The rates are not concessional.

Sri P. R. RAMAIYA.—When was the rate for Binny Mills fixed, Sir ?

Dr. R. NAGAN GOWDA.—I think somewhere in 1949. I will find out.

Sri P. R. RAMAIYA.—I want to know when the rates were fixed to the Binny Mills, Maharaja Mills and the K.G.F. Mining Companies.

Dr. R. NAGAN GOWDA.—So far as the Binny Mills and the Maharaja Mills are concerned, agreement for the present period is pending execution; and so far as K.G.F. is concerned, I think it was somewhere about 1940 that the agreement was signed.

Sri P. R. RAMAIYA.—Am I to understand that electricity was supplied to these concerns without any agreement all these years, Sir ?

Dr. R. NAGAN GOWDA.—We are thinking of having new agreements with them.

Sri P. R. RAMAIYA.—I would like to know, Sir, whether when you supplied electricity to these concerns, you had entered into an agreement with them ?

Dr. R. NAGAN GOWDA.—Yes. That is true. The old agreement was that expired some where in 1949. Since then, I think the new agreement has not been executed.

Sri P. R. RAMAIYA.—You say that the new agreement has not been executed. Is it in order to supply electricity to these concerns without entering into any agreement ?

Dr. R. NAGAN GOWDA.—No. We are thinking of having the agreement signed.

Sri P. R. RAMAIYA.—I had put the question, Sir, primarily to know when was the agreement entered into in the initial stage. You have not been pleased to give an answer.

Dr. R. NAGAN GOWDA.—So far as Binny Mills and Maharaja Mills are concerned, the last agreement was the one that expired in 1949. In the case of K.G.F. I believe a fresh agreement was entered into in 1940. How long before the that previous agreement was entered into, I have no information.

Sri P. R. RAMAIYA.—Will you kindly furnish that information sometime later ?

Dr. R. NAGAN GOWDA.—In the course of the week, I will do that.

Mr. SPEAKER.—This question may be taken up tomorrow or at any time that suits the Hon'ble Minister. Other Members will put similar questions.

Dr. R. NAGAN GOWDA.—The Hon'ble Member wanted one point of information, and I undertook to supply that information a little later. I will supply that information.

Sri P. R. RAMAIYA.—What is the cost of production per unit of electricity Sir, now ?

Dr. R. NAGAN GOWDA.—Accurate information about that I have not got with me now.

Sri P. R. RAMAIYA.—At least approximately, Sir ?

Dr. R. NAGAN GOWDA.—Cost of production and distribution goes into that; I do not think I will be able to say that now, Sir.

Sri P. R. RAMAIYA.—Mr. Speaker, I would like to know if I could pursue this question tomorrow in view of the fact that the Hon'ble Minister is not able to furnish replies.

Mr. SPEAKER.—Not tomorrow. At any time that suits him.

Sri P. R. RAMAIYA.—I would like the Hon'ble Minister to kindly furnish me with the information relating to the cost of production per unit of electricity, the total amount received from the Binny Mills, the Maharaja Mills and the K.G.F. Mining Companies.

Dr. R. NAGAN GOWDA.—I will gather that information and give it to you.

Sri P. R. RAMAIYA.—I want to know how much you have received per year. What is the rate charged by Government per unit of electricity for industries now, Sir ?

Dr. R. NAGAN GOWDA.—Sir, To Binny Mills, and Maharaja Mills, we are charging at .65 of an anna per unit. It is given in the answer.

Sri P. R. RAMAIYA.—For industries in general ?

Dr. R. NAGAN GOWDA.—It varies. Sugar factories are charged separately. Mining industry is charged at separate rates.

Sri P. R. RAMAIYA.—What is the rate charged for sugar industries Sir ?

Mr. SPEAKER.—Hon'ble Member may put supplementary questions relating to these three concerns mentioned in the main question.

Sri P. R. RAMAIYA.—Is not the rate charged to Binny Mills, Maharaja Mills and K.G.F. Mining Companies lower than the usual rate charged to industries, Sir?

Dr. R. NAGAN GOWDA.—They are lower than some and higher than others.

Sri P. R. RAMAIYA.—You are pleased to say that the rates are not concessional. When it is lower than the rate at which it is supplied to other industries, is it not a concession, Sir ?

Dr. R. NAGAN GOWDA.—Not exactly concessional, Sir. The rate that we are charging for K.G.F. is in pursuance of an agreement entered into in 1940 for 30 years; and when we take into consideration the fact that we are charging some factories at .25 and some others at ·125, I do not know whether it can be treated as a concession. But you are aware that we are charging them also 20 per cent surcharge since yesterday.

Sri P. R. RAMAIYA.—Do Government really think that these concerns are not able to bear the easy rate that is charged to other industries, Sir ?

Dr. R. NAGAN GOWDA.—So far as K. G. F. is concerned, since an agreement has been entered into for a long period of thirty years, even if we feel that they are in a position to pay, the position will have to be examined to enhance the rate. Only we can levy surcharge which has been done by this Government once in 1950 and again this year.

Sri P. R. RAMAIYA.—What is the rate per unit for house consumption, Sir ?

Dr. R. NAGAN GOWDA.—Only four annas.

Sri P. R. RAMAIYA.—Sir, is not four annas too high when compared to the rate you charge for industries which give very fat dividends ?

Dr. R. NAGAN GOWDA.—Industries consume such a huge bulk of current. At one time the production of electricity depended upon such huge consumers. The rates charged to industries must be related to the cost of production of the article manufactured in the industry. On the other hand, the amount of current that is consumed by households for lighting purpose was not at one time such a huge quantity as it is now. All over the world, in fact in India, the rate that was charged to housing purposes was higher than the rate charged to industrial concerns.

Mr. SPEAKER.—Question No. 881.

Sri K. HANUMANTHAIYA.—The time for Financial Bill is being encroached upon, Sir.

Mr. SPEAKER.—This is the last question. The previous question was an important one and therefore so much time was allowed for that.